

MEMORANDUM

Date: January 30, 2009

To: Governor Chet Culver
Lt. Governor Patty Judge
Secretary of Senate: Mike Marshall
Chief Clerk of the House: Mark Brandsgard

From: Iowa Economic Development Board
Bob Bocken, Chair

Re: 2008 IDED Annual Report

On behalf of the Iowa Economic Development Board, I submit the IDED Annual Report for your review. The report comes in two forms. The print version provides a brief overview of all of the department activities for Fiscal Year 2008.

Please access the **full** report at www.iowalifechanging.com/annualreport for information on:

- IDED Statutorily required program reports
- Program overviews
- Information about the Iowa Economic Development Board

Statutory Reporting Requirements

One of the statutory duties of the Iowa Economic Development Board is to file by January 31st each year an annual report with the General Assembly and the Governor. This 2008 IDED Annual Report is intended to meet the Department's consolidated reporting requirements established last year by 2008 Iowa Acts, House File 2450 (see 2009 Iowa Code §15.104(9)).

The Annual Report covers the activities during the preceding fiscal year (ending June 30, 2008) and includes all of the following required components:

- **Financial assistance programs.** Data on all assistance provided to business finance projects under the Community Economic Betterment Program established in section 15.317, eligible businesses under the High Quality Job Creation Program described in section 15.326, and eligible facilities under the Value-Added Agricultural Products and Processes Financial Assistance Program established in section 15E.111.
- **Projects funded through the Grow Iowa Values Fund.** Data on business finance projects receiving moneys from the Grow Iowa Values Fund created in section 15G.108.

- **Industrial New Jobs Training Act.** Data on all assistance or benefits provided under the Iowa Industrial New Jobs Training Act established in chapter 260E.
- **Workforce development fund.** The proposed allocation of moneys from the workforce development fund to be made for the next fiscal year for the programs and purposes contained in section 15.343, subsection 2.
- **Employee training and retraining goals and objectives.** Pursuant to section 15.108, subsection 6, the upcoming year's goals and objectives, including both short-term and long-term methods of improving program performance, creating employment opportunities for residents, and enhancing the delivery of services.
- **Accelerated career education programs.** The data related to the Accelerated Career Education Programs established in chapter 260G and the activities of those programs during the previous fiscal year.
- **Coordination with community colleges and state board of regents.** Pursuant to section 15.108, subsection 3, paragraph "a", subparagraph (1), an assessment of the degree to which the Department has coordinated with the community colleges and the state board of regents institutions in the avoidance of duplication of economic development efforts, including the degree to which there are future coordination needs.

 Report Main

About the IDED Board

IDED Reports

- Business Programs and Iowa Values Fund
- Workforce Training
- Endow Iowa
- Renewable Fuels
- Targeted Jobs Withholding
- Targeted Small Business
- Volunteer

Targeted Programs and Initiatives
Growing Community

- Commission on Volunteer Services
- Downtown Resource Center/Main Street
- Endow Iowa
- GreenStreets/Community Services
- Housing
- Vision Iowa

Growing Business

- International and Domestic Investment
- Film Office
- TSB Program
- Regulatory Assistance
- International Trade
- Tourism Office
- Demonstration Fund
- Networking Fund

Growing Workforce

- Iowa Careers Consortium
- IT Training Program
- Student Internship Program
- Workforce Training Programs



Message from the Iowa Economic Development Board Chair

On behalf of the **Iowa Economic Development Board**, it is an honor to respectfully submit this 2008 Annual Report of the Iowa Department of Economic Development (IDED). As a result of the passing of House File 2450 during the 2008 Legislative Session, most of the required reporting of the department has been aligned with the common reporting deadline of January 31 for the fiscal year ending on June 30 of the previous year. This 2008 Annual Report includes information on action taken July 1, 2007 – June 30, 2008. In addition to the IDED Reports, I encourage you to become more familiar with the department programs by reviewing the program overviews included in the Targeted Programs and Initiatives section.



The Iowa Economic Development Board is very proud of the accomplishments achieved during 2008 and will continue to work hard to foster growth and sustainability for Iowa's workforce, communities and businesses. We look forward to continuing to work with the department staff, Governor Culver and the Legislature to move Iowa forward.

Bob Bocken, Iowa Economic Development Board Chair

Message from the Director

The Iowa Department of Economic Development had a very successful year providing programs and services throughout Iowa to sustain the economic growth and climate of the state. This report features results from July 1, 2007 – June 30, 2008. As a result of action taken during last year's Iowa Legislative session, many of our required reports now have a common reporting date, which now allows the Department to issue one overall report on January 31.



IDED focuses all of our activities on community, business and workforce development which cover a very wide range of audiences. Some of these constituencies overlap, but many do not. This report provides an opportunity to fully understand the breadth and depth of activities coordinated by this department.

Community development activities are strongly focused on sustainability and the understanding that sustainable development is about coordination at the local, regional and state level. The efforts also need to reach beyond our natural resources and farmland to city parks, public gathering places, corridors, buildings and homes to create communities with character and an appealing identity. Great strides have been made to incorporate sustainable planning and practices throughout the Department activities. Read on and visit www.iowalifechanging.com/annualreport to learn more about these efforts.

Successful community development programs continued to expand as well. Main Street Iowa added four new cities to raise the total to 40 official Main Street Communities in Iowa. This concept was also expanded to a new "Urban Commercial District" program that provides assistance to a broader audience. The Neighborhood Resource Center was created to help foster the development of new neighborhood associations. Vision Iowa and the Community Attraction and Tourism programs also continued to support the development of new Iowa amenities.

The newly created Innovation and Commercialization Division has designed and implemented new programs to foster entrepreneurship and develop the talent pool required to compete in the 21st century Iowa economy. The newly formed Technology Commercialization Committee is now actively reviewing, advising and approving Demonstration Fund awards for Iowa businesses to accelerate the commercialization of products in the targeted areas of advanced manufacturing, information technology and the biosciences. A strong relationship was also formed with the Iowa Power Fund who is also working to provide funding for the advancement of technology in the renewable energy industries.

Skilled worker development is expanding in all areas, especially in developing curriculums and career path connections for Iowa's students. Coordination with several state and local entities are expanding programs such as Project Lead the Way (an engineering curriculum for junior and senior high schools), as well as expanding internship opportunities to 150 college students in 77 small and medium sized Iowa businesses.

Business development efforts showed good results from existing industry growth of Iowa companies to direct investment in Iowa from domestic and international firms. The continuum from identifying and working with a business prospect to awarding and closing a project can be a lengthy process. IDED Project Management, Finance and Legal and Compliance teams coordinate efforts to move efficiently move projects through the department processes with accountability, transparency and accuracy. Access the interactive [Business Programs and Iowa Values Fund Searchable Database](#).

Other areas of business growth include expansion of film related projects taking place in Iowa. The development of the Iowa Film, Television and Video Project Program has placed Iowa as a prominent location on the national landscape for filmmakers. Iowa companies exporting their goods and services internationally also continues to grow, boasting a 20 percent increase from fiscal year 2007. The Targeted Small Business Program realized great success with a 186 percent increase over fiscal year 2007 of new and renewed applications for TSB certification. Procurement of TSB's by state agencies also hit an all-time high with over 62 percent of agencies meeting or exceeding their procurement goals.

This report provides an overview of the accomplishments of the Department and Iowa Economic Development Board from July 1, 2007 – June 30, 2008. The natural disasters and floods of 2008 were just happening as the fiscal year ended. While the seriousness of the situation was clear on June 30, the involvement and response by IDED was yet to be defined, and thus not included in this report.